

Randy Clarke

From: tbutler@sagecommunications.net
 Sent: Friday, September 28, 2007 11:41 AM
 To: Randy Clarke
 Subject: Cap the "High-Cost" Portion of the Universal Service Fund Tax!

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Federal Communications Commission
Office of the Secretary

Randy Clarke

ORIGINAL

Dear Randy Clarke,

It is high time for the Federal Communications Commission (FCC) to cap the "high cost" portion of the federal Universal Service Fund (USF) phone bill tax. If the FCC can't get the job done, Congress should step in and clean up the outrageous waste of USF tax dollars that is now going on.

I object in the strongest possible terms to the way that billions of tax dollars are being flushed down the toilet today under the out-of-control "high cost" portion of the USF tax on phone calls. USF spending has grown like a weed from \$4 billion in 1998 to an estimated \$2 billion in 2007 ... and it now appears that the sky is the limit for the next few years!

This part of the USF was supposed to subsidize phone service in rural areas that wouldn't otherwise have it. But the USF system is broken ... unless you are one of the phone companies for which this tax dollar give-away program is paying off like a busted slot machine. Unfortunately, hard-working taxpayers like me are left holding the bag.

Today, the USF delivers some of the highest cost phone subsidies in the world, doing little more than making phone companies richer at the expense of taxpayers. With no meaningful oversight, more and more phone companies are gorging themselves on USF tax revenues ... and it's all at my expense. It's time to put USF spending on a diet!

I strongly object to the situation today when the high-cost portion of the USF is paying in one case more than \$13,000 per line for phone service in the Hawaii resort community of Maui.

USF funds are even being doled out to multiple phone companies serving the same place! And many of the companies that are getting USF funds obviously don't need them, when they are underwriting NASCAR teams and CEOs are buying NBA teams with their spare cash.

It's just plain wrong for a federal tax subsidy program that is supposed to be helping low-income Americans to be enriching mega-millionaire CEOs, including one of the largest private equity buyout firms in the nation that could get more than a quarter of a billion dollars ... and that is coming right out of the wallets of people like me who are just working hard to make ends meet!

I urge you to refocus the USF mission to make sure that the small number of Americans still without phone service actually get the needed service. We shouldn't add more money to the USF or expand its mission to include broadband service until the Universal Service Fund tax waste scandal is cleaned up once and for all by cutting the waste and abuse in the USF program.

My message to you today is very clear: Do whatever is necessary to get a handle on the USF tax that is picking my pocket today. Cap the high-cost portion of the USF! Don't waste additional taxpayer dollars on this program that makes those Pentagon hammers and toilet seats look like a real bargain.

Signed by:
 Teresa Butler
 7411 Dolany Dr

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